

June 6, 2008

Maine Milk Commission Special Meeting Minutes
Deering Building, Room 233
Augusta, Maine 04333

Commission Present: Chair, Michael Wiers, Richard Cook, Colon Durrell and Tim Drake, *ex-officio*.

Commission Absent: John Joseph Jr.

Department Officials: None

Staff Present: Audrey Shorty, Resource Administrator and Carol Gauthier, Office Associate.

Legal Counsel: Amy Mills, Assistant Attorney General not present.

Intervenors Present: John Blake, H.P. Hood, Inc.

Others Present: None.

Meeting called to order at 1:35 p.m. by chair Michael Wiers.

The Commission reviewed testimony received at the May 23, 2008 public hearing on Dealer Margins and a written comment received from the Maine Dairy Industry Association (MDIA).

The written comments from MDIA supported proposed increases in dealer margins. Chairman Wiers thanked MDIA on behalf of the Commission for their comments and support.

Colon Durrell made a motion to adopt the latest revisions that were presented at the public hearing. Richard Cook seconded. Motion passed 3-0. The margins adopted are set forth in Table 9 on Page 2.

Adjourned: 1:45 p.m. (10 minutes).

Stanley Millay, Executive Director, Maine, Milk Commission.

DEALER MARGINS TABLE 9

Prices in the computation row (bottom line) of Table - 9 are the new dealer margins for various containers.

Base model = 430 plant with blow molding	Plastic Gallon	Plastic ½ Gal	Plastic Qt	20-Qt Bulk	Paper ½ Gal	Paper Qt
Model Costs						
Processing cost	\$0.57078	\$0.39929	\$0.29823	3.49392	\$0.39929	\$0.29823
Delivery cost (drop-metro)	\$0.22187	\$0.09861	\$0.05547	\$0.88747	\$0.09861	\$0.05547
Total processing and delivery	\$0.79265	\$0.49790	\$0.35369	\$4.38139	\$0.49790	\$0.35369
Adjustments for Maine conditions						
Volume adjustment	\$0.11988	\$0.02606	\$0.02323	\$0.27705	\$0.02606	0.02323
Delivery adjustment (blended distribution cost)	\$0.12419	\$0.05519	\$0.03105	\$0.49674	\$0.05519	0.03105
Total adjustments for Maine conditions	\$0.24407	\$0.08125	\$0.05428	\$0.77379	\$0.08125	\$0.05428
2007 Commission fee adjustment	\$0.0022	\$0.0011	\$0.0005	\$0.0108	\$0.0011	\$0.0005
2008 Dealer Margin Sensitivity Analysis Including Adjustments for Maine Conditions	\$1.03887	\$0.58022	\$0.40851	\$5.16593	\$0.58022	\$0.40851